



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

March 11, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES AND DEPARTMENT OF PUBLIC HEALTH:
APPROVAL OF AMENDMENT NO. 1 TO OFF-SITE STORAGE
AND RETRIEVAL SERVICES AGREEMENT NO. H-702694
AND AN AGREEMENT WITH FILE KEEPERS, LLC
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of the Department of Health Services (DHS), or his designee, to execute Amendment No. 1 to Off-site Storage and Retrieval Services Agreement No. H-702694 with File Keepers, LLC (File Keepers) to remove all references to the Department of Public Health and its programs, effective April 1, 2008 through February 29, 2012, at no additional cost to the County.
2. Authorize the Director of the Department of Public Health (DPH), or his designee, to execute an Agreement with File Keepers, for the provision of off-site storage and retrieval services to various DPH sites/facilities, effective April 1, 2008 through June 30, 2012, at an annual cost of \$189,920, offset by \$120,000 of Centers for Disease Control and Prevention Grant (CDC) funds and the balance of \$69,920 funded within existing resources.
3. Delegate authority to the Director of DPH, or his designee, to amend the off-site record storage and retrieval services agreement to increase or decrease the maximum obligation by no greater than 25 percent, during the term of the Agreement, at an estimated increased cost of \$201,790, subject to review and approval by County Counsel and the Chief Executive Office and notification to the Board offices. The maximum obligation, including potential increases, is \$1,008,950, offset with anticipated CDC funds in the amount of approximately \$510,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of the recommended actions will ensure continuity of safe and timely off-site storage, retrieval and related services of medical records, X-ray film, encounter forms, departmental files and Bioterrorism Preparedness Program related supplies for DHS and DPH.

In approving Recommendation No. 1 above, the Board is authorizing the Director of DHS, or his designee, to offer and sign Amendment No. 1 to Agreement No. H-702694, substantially similar to Exhibit I, to: 1) remove all references to DPH, including its programs and facilities, as DHS and DPH now operate as separate County departments and it is operationally more effective for each department to administer its own off-site storage and retrieval services agreements; 2) add a provision to the Billing and Payment paragraph stating that if the Contractor's prices decline, or should the Contractor provide another public entity prices lower than those set forth in the Agreement, then such lower prices shall be immediately extended to the County; and 3) clarify the definition of tasks DHS Medical Facilities may request and the corresponding rates.

In approving Recommendations No. 2 and No. 3, the Board is authorizing the Director of DPH, or his designee, to execute an Agreement with File Keepers, substantially similar to Agreement No. H-702694, approved by your Board on March 6, 2007, for the provision of off-site storage and retrieval services, and delegating authority to the Director of DPH, or his designee, to amend the Agreement to add or delete DPH facilities/sites and increase or decrease the maximum obligation by no more than 25 percent (if needed), to ensure that medical records, X-ray film, encounter forms, departmental files and Bio-Terrorism Preparedness Program related supplies are safely maintained, stored, and retrieved in a timely manner, and relieve the overcrowding of medical records and departmental storage areas.

FISCAL IMPACT/FINANCING

DHS:

Under Agreement No. H-702694, the maximum annual obligation for DHS is \$809,840. Amendment No. 1 to this Agreement will have no additional fiscal impact on DHS.

DPH:

The maximum obligation to DPH, for the period effective April 1, 2008 through June 30, 2008, is \$59,350, of which \$47,480 is for the continuation of services and \$11,870 is for potential increases under delegated authority. DPH's maximum annual obligation, beginning July 1, 2008 through June 30, 2012, including potential increases under delegated authority, is \$237,400, offset by \$120,000 of CDC funds and the balance of \$117,400 funded within existing resources. DPH anticipates that it will continue to receive CDC funds in future fiscal years.

The DPH combined total maximum obligation, including increases under delegated authority for the term of the Agreement, is \$1,008,950. Funding is included in DPH's Fiscal Year 2007-08 Final Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On March 6, 2007, the Board approved a new five-year agreement with File Keepers which was selected as a result of an Invitation for Bids (IFB) process.

The proper maintenance and storage of patient medical records, X-rays film, and encounter forms are required by California Code of Regulations, Title 22, Section 51476. Off-site storage and retrieval services include, but are not limited to, receiving, packaging, transporting, inventorying, filing, storing, retrieving, and destroying at County's request, such medical records and X-ray film.

The recommended Amendment to DHS Agreement No. H-702694 is necessary to clarify what constitutes an "item" for purposes of retrieval and delivery to ensure the correct charge is applied. In addition, the Amendment provides that the vendor will not charge on a per "item" basis other than as specified in the Agreement. This Amendment will become effective April 1, 2008, and will continue in full force and effect through February 29, 2012.

DPH also needs storage of various departmental files and Bio-Terrorism related supplies, i.e., mylar blankets and family emergency kits.

As DHS and DPH now operate as separate County departments, it is operationally more effective for each department to manage its own off-site storage and retrieval services needs.

The recommended Agreement for DPH will become effective April 1, 2008 and will continue in full force and effect through June 30, 2012.

County Counsel has approved the Amendment (Exhibit I) and Agreement as to use and form.

CONTRACTING PROCESS

File Keepers was selected based on the results of an IFB process completed by DHS in October 2006, which included services for DPH. DPH will execute their own agreement with File Keepers, with substantially similar terms and conditions.

DHS has delegated authority to add or delete other DHS sites/facilities, and to increase the total maximum obligation for H-702694 by no more than 25 percent above the annual maximum obligation as needed, but does not have delegated authority to amend the terms of the Agreement without returning to your Board for approval.

Honorable Board of Supervisors
March 11, 2008
Page 4

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure that patient medical records, X-ray films, encounter forms, departmental files, and BT-related supplies will continue to be safely maintained and stored, and the overcrowding of medical records storage areas and storage spaces at various DHS and DPH facilities will continue to be alleviated.

When approved, DHS and DPH require three signed copies each of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
MLM:AT:bjs

Attachments (1)

c: County Counsel
Director and Chief Medical Office, Department of Health Services
Director and Health Officer, Department of Public Health

031108_DHS_File Keepers

OFF SITE STORAGE AND RETRIEVAL SERVICES AGREEMENT

AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this _____ day of _____, 2008,

by and between COUNTY OF LOS ANGELES (hereafter "County").

and FILE KEEPERS, LLC (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "OFF-SITE STORAGE AND RETRIEVAL SERVICES AGREEMENT", dated March 6, 2007, and further identified as County Agreement No. H-702694 (hereafter referred to as "Agreement"); and

WHEREAS, County Facilities shall retain professional and administrative responsibility for the services provided under this Agreement; and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment and formally adopted in the same manner as this Agreement.

NOW THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective on the date hereinabove.

2. All references to County's "Department of Public Health" (also referred to as "DPH") and its programs and facilities, including but not limited to, Public Health Administration and Public Health Centers, shall be removed in their entirety from the Agreement.

3. Paragraph 6, "BILLING AND PAYMENT", shall be revised to read as follows:

"6. BILLING AND PAYMENT: For the purpose of this Agreement, County agrees to compensate Contractor, in accordance with the terms and conditions set forth in Schedule 1 and Exhibit A-1, attached hereto and incorporated by reference. All invoices under this Agreement shall be submitted monthly, in arrears, to the billing locations indicated in Exhibit D, attached hereto and incorporated herein by reference. Incorrect and/or discrepant billings, as determined by County, will be returned to Contractor for correction before payment is made."

4. Paragraph 6.A "Most Favored Public Entity", shall be added to the Agreement as follows:

"A. Most Favored Public Entity: If the Contractor's prices decline, or should the Contractor at any time during the term of this Agreement provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Agreement, then such lower prices shall be immediately extended to the County."

5. Exhibit A "OFF-SITE STORAGE AND RETRIEVAL SERVICES PRICING SCHEDULE", shall be revised and replaced in its entirety, as set forth in Exhibit A-1,

attached hereto and incorporated herein by reference. Any reference to Exhibit A in this Agreement shall now be deemed to reference Exhibit A-1.

6. Except for the changes set forth hereinabove, the wording of this Agreement shall not be changed in any respect by this Amendment.

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Bruce A. Chernof, M.D.
Director and Chief Medical Officer

Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
RAYMOND G. FORTNER, JR.
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Cara O'Neill, Chief
Contracts and Grants Division

Off-Site Storage and Retrieval Services Pricing Schedule

- "Item" means a Medical Record (Record), Encounter Form (Form), X-ray film (X-ray), Departmental Files (File), BT related supplies (BT Supplies), or one Box/Carton containing such Records, Forms, X-rays, Files and/or BT Supplies.

STORAGE	CHARGE
Initial Transfer Charge/medical records, encounter forms, departmental files and BT related supplies	NO CHARGE
Initial Transfer Charge/X-ray films	NO CHARGE
Monthly Charge to store medical records, X-ray films, encounter forms, departmental files and BT related supplies	\$0.16 per carton
Charge to Pickup, Receive/Handle additional medical records, encounter forms, departmental files and BT related supplies	Min. \$10.75 (includes up to 10 Items); \$2.55 each additional Item
Charge to Index additional records, encounter forms, departmental files and BT related supplies	\$0.30 per Item
Charge to Pickup, Receive/Handle additional X-rays	Min. \$10.75 (includes up to 10 Items); \$2.55 each additional Item
Charge to Index additional X-rays	\$0.30 per Item
RETRIEVAL/DELIVERY	CHARGE
Emergency Retrieval of records, encounter forms, departmental files and BT related supplies (Outgoing Handling)	\$1.60 per Item

**Off-Site Storage and Retrieval Services
Pricing Schedule**

RETRIEVAL/DELIVERY (cont')	CHARGE
Emergency Delivery of records, encounter forms, departmental files and BT related supplies	Min. \$25.50 (includes up to 6 Items); \$2.55 each additional Item
Emergency Retrieval of X-rays	\$1.60 per Item
Emergency Delivery of X-rays	Min. \$17.25 (includes up to 6 Items); \$2.55 each additional Item
STAT Request	Min. \$51.00 (includes up to 6 Items); \$2.55 each additional Item
Same day Retrieval of records, encounter forms, departmental files and BT related supplies	\$1.60 per Item
Same Day Delivery of records, encounter forms, departmental files and BT related supplies	Min. \$18.00 (includes up to 6 Items); \$2.55 each additional Item
Same Day Retrieval of X-rays	\$1.60 per Item
Same Day Delivery of X-rays	Min. \$18.00 (includes up to 6 Items); \$2.55 each additional Item
Next Day Retrieval of records, encounter forms, departmental files and BT related supplies (Outgoing Handling)	\$1.60 per Item

**Off-Site Storage and Retrieval Services
Pricing Schedule**

RETRIEVAL/DELIVERY (cont')	CHARGE
Next Day Delivery of records, encounter forms, departmental files and BT related supplies	Min. \$10.75 (includes up to 10 Items); \$2.55 each additional Item
Next Day Retrieval of X-rays	\$1.60 per Item
Next Day Delivery of X-rays	Min. \$10.75 (includes up to 10 Items); \$2.55 each additional Item
Pick up returning records, encounter forms, departmental files and BT related supplies from Next Day delivery	NO CHARGE up to 10 Items; \$2.55 each additional Item
Receiving and Handling	\$0.80 per Item
Pick up returning X-rays	NO CHARGE up to 10 Items; \$2.55 each additional Item
Handle & Re-file returning X-rays	\$0.80 per Item
File Documents in stored record	\$3.00 per Item
Retrieve a carton and permanent removal	\$2.75 per carton
SHELF SPACE	CHARGE
Odd size storage shelf space (up to 3 X the standard storage shelf space). Standard Shelf Space = 10" x 12" x 15".	\$0.50 per occupied shelf space (new)